

GENDER AND AGRIBUSINESS PROJECT (GAP):

CASE STUDY, CARGILL ZIMBABWE

Written by:

Kathleen Cloud, Associate Professor
Department of Human and Community Development

Compiled and prepared by:

I. Dale Silver, Coordinator, Gender and Agribusiness Project
Office of Women in International Development

International Programs and Studies
University of Illinois at Urbana-Champaign

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This case is intended to serve as a basis for group discussion rather than to illustrate effective or ineffective handling of administrative or management problems.

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CASE STUDY, CARGILL ZIMBABWE

The Problem

Jean Paul O’Gorman, Cargill’s country manager, sat in his corner office reflecting on the issue raised by his human resources manager during the day’s staff meeting. Cargill’s operations in Zimbabwe focused on cotton purchasing and ginning. Since cotton operations were seasonal, most of their workers were on short-term, 3-6 month contracts. Recently, the contract workers asked to elect representatives to the company-wide workers’ committee, a labor organization mandated by national policy. They argued that many of their issues differ from those of permanent workers, who constituted the entire committee. National labor policy specified that each category of worker should elect two members to the committee. It neither mandated nor forbade participation of temporary contract workers but simply specified that committee members must have at least one year of experience with the company and a “fair understanding” of it.

Complicating the issue was the fact that women also asked for representation on the workers’ committee, which had only male members. Although most women were employed on seasonal contracts, a small but increasing number were also permanent employees. As Jean Paul considered the issue, he thought back over the history of Cargill’s involvement in Zimbabwean cotton and the changing business climate in which it now operates.

Country Context

Economic and Political Factors

Zimbabwe, a landlocked country in Southern Africa, is approximately the size of California. According to the U.S. State Department:

The country has abundant arable land, minerals, good infrastructure, a diversified manufacturing sector, an educated and disciplined work force, and a strong tourism sector. Its chief hard currency earners are tobacco, gold, ferro alloys, nickel, and tourism. The economy suffers from poor economic management, government corruption, high inflation and high real interest rates, a dramatic slide in foreign exchange values, high budget deficits, and high unemployment. Over half the population relies on subsistence agriculture. The formal sector unemployment rate exceeds 40%. During 1998 the economy declined and real disposable income fell due to high inflation and higher imported input costs. Throughout the year, the Government faced increased pressure from urban labor groups and rural low income groups as the standard of living dropped. (U.S. Dept. of State, 1999, p. 1)

Zimbabwe entered the family of nations in 1980 after a bruising civil war to end the white dominated government of Rhodesia, which had seceded from the British Commonwealth in 1965. During the colonial period, white settlers from South Africa and England controlled the mines as

well as the highly productive agriculture in the central highlands. African farms were confined to outlying communal areas where soil and weather were less desirable. Many men migrated to work in the mines and the commercial farms, leaving the women and children to wrest a living from a few acres.

During the peace negotiations, private businesses secured arrangements designed to prevent “white flight” from the economy. There was also a compromise on land tenure. Although increased access to good land had been a major demand of the revolution, the peace agreement specified that the government would not seize land. Rather, it would distribute land purchased from “willing sellers.”

As a result of the peace accord, private businesses gradually integrated Africans into management while continuing to dominate mining and tourism. Over time, some of the large commercial farms were purchased by Africans. Most African farms, however, were still confined to small holdings in the communal areas where there was considerable population pressure on the land. The demand for increased equity through more and better land for Africans continued to be a major political issue in independent Zimbabwe.

To serve the small communal farmers, the government created parastatal marketing boards for agricultural products such as cotton, dairy, and grain. Together with the extension services, they encouraged use of improved seeds, as well as chemical fertilizers and pesticides. These small farms were an important part of the agricultural economy, producing 60% of the maize crop and more than 90% of the cotton.

Although the peace agreement provided for substantial white participation in the government, in practice the revolutionaries—led by Robert Mugabe—dominated the government through ZANU-PF, their political party. The revolutionary idealism of early days embraced socialist rhetoric. Much of the early labor legislation reflected this, providing for sector-wide collective bargaining by companies and unions. Through the 1980’s, the country prospered while the government invested heavily in education, health care, and infrastructure. The result was an increasingly healthy and well educated young work force in a country with good roads and schools, and reasonable supplies of electricity and telecommunications.

However, in the 1990’s a severe drought, combined with a drop in prices of several exports and a series of questionable policies, created major economic problems. Inflation steadily increased and the currency was repeatedly devalued, reaching crisis proportions after 1997. By 1999, high unemployment rates forced many urban men to return to their farms. Unfortunately, they often brought disease with them. In 1999, it was estimated that 25% of the adult population was HIV positive. In some urban areas, rates reached as high as 40%. The high levels of the disease increasingly affected every facet of life because adults in their most productive years were the ones affected.

The Situation of Women in Zimbabwe

The two major ethnic groups in Zimbabwe each have different traditions concerning gender roles and family law. N'debele were originally pastoral, whereas Shona were farmers producing primarily on communally owned land. Because Shona society was patrilineal, communal land was allocated to male members of the community. Traditionally, women had no independent access to land; their access was through marriage. If a husband died, the woman was expected to marry one of his brothers, and polygamy was common. Although women did not have much formal power in traditional society, they could gain considerable respect as good farmers and mothers. During colonial times, when many men migrated to cities, mines, and commercial farms to earn cash, women stayed on communal lands where they farmed and raised children.

Many women had been politically active during the struggle for Zimbabwe's independence, with their role publically acknowledged by the new government. The Constitution declared women's equality with men and prohibited sex discrimination. After independence, the government enacted major laws supporting women's rights, including labor legislation that prohibited discrimination in employment. In 1982, the Supreme court upheld the Legal Age of Majority Act (LAMA), stipulating that both men and women over the age of 18 were legal adults under the law, and thus had equal rights in every area.

Although the equitable employment laws were not challenged, LAMA and the later Matrimonial Causes Act provoked continuing controversy. In Zimbabwe, as in many other developing countries, family law was based on traditional custom while all other laws were based on internationally accepted codes, such as English common law or the French Napoleonic Code. The newer laws recognized greater individual rights by granting women the right to own property independent of their husbands or fathers, limiting parents' right to choose marriage partners for their daughters, and giving widows some control over inheritance. Because of this, they conflicted with traditional family practice. In March 1999, however, women's rights within the family suffered a stunning reversal of fortune when the Supreme Court ruled that the Majority Age Act "had been interpreted too widely" and had given women rights they never had under customary law. The judges said that "the nature of African society" relegates women to a lesser status, especially in the home. A woman should not be considered an adult within the family, according to the court, but only as "a junior male," thus throwing into question women's rights within the family (Tucker, 1999, April). This decision added fuel to the continuing conflict between the old ways and the new.

Although policies protecting women's rights have suffered reverses since independence, the actual circumstances of women's lives have improved in many aspects. Women have gained more than ten years of life expectancy and, with improved access to contraception, national fertility rates dropped significantly. Most girls have acquired at least a primary education and many have advanced to secondary, and some tertiary, education. A substantial proportion of women have joined the formal work force, although they tend to remain concentrated in lower paying jobs. In formal employment, however, women face additional challenges and obstacles.

According to the U.S. State Department:

“Women commonly face sexual harassment in the work place. Research conducted by . . . a Harare-based NGO revealed that one in three working women at all levels were subjected to sexual harassment in the work place, as defined by Zimbabwean legal experts. (U.S. State Department, 1999)

Company Operations Under Consideration

The Development and Evolution of Cargill’s Cotton Production

Cargill is a privately held international marketer, processor, and distributor of agricultural, food, financial, and industrial products. The company, headquartered in Minneapolis, has more than 80,600 employees in 65 countries and business activities in 130 more. Cargill is one of the two largest cotton traders in the world, handling more than 10% of the global trade. Through participation in international cotton auctions, it buys and sells cotton that moves all over the world.

Historically, Cargill bought cotton from several East African governmental marketing boards. African cotton—particularly Zimbabwean—was very desirable. Quality was high because the varieties grown had good color and length, and handpicking meant there was little debris. Because of the southern growing season, it came to market early, creating a price premium.

The Zimbabwean cotton marketing board was set up by Ian Smith’s white government prior to independence to market all cotton produced in the country. Although the cotton was desirable, the marketing board experienced increasing difficulty. ZANU-PF tended to treat the agricultural parastatals as instruments of patronage, particularly in employment. As a result, they were unprofitable, top heavy with personnel, and dependent on government subsidies to function. With worsening economic conditions, the government could no longer afford the large subsidies. In 1991 under pressure from the IMF, they began to privatize the boards.

Because the same process of privatization was underway in several East African countries, Cargill feared they would lose access to cotton in these countries if parts of the parastatals were bought by competitor companies. To address this concern, a decision was made to adopt an asset-based strategy, investing in cotton origination and ginning. To this end, Cargill bought and managed rural collection points and cotton gins and traded the purchased cotton. This decision presented a departure from their practice in the rest of the world, where Cargill simply traded ginned cotton lint (fiber). Buying and ginning raw cotton would put Cargill in much more direct contact with producers while demanding a capacity to manage efficient operations in rural Africa. Because the opportunity seemed worth the risk, Cargill entered into Zimbabwe’s privatization process.

Two of Zimbabwe’s marketing boards, dairy and cotton, were privatized in slightly different ways. As the closest to profitability, the Dairy Board was the first to undergo privatization. Management was restructured and surplus personnel reduced. By the summer of 1997, a substantial amount of its stock had been sold on the open market, with 15% set aside for sale to management and staff. The government held a minority share of 25% and sought a European technical partner to

hold an additional 25%.

Privatization of the Cotton Board then followed in two phases. First, a free competitive market was initiated. Next, through a process of tenders and bids, 25% of its operation was completely privatized. Five percent of this amount was purchased by a co-op of large commercial farmers who marketed their own crops. After considerable difficulty, in 1996 Cargill bought another 20% of the privatized Cotton Board operations. The remainder of the Cotton Board was privatized as COTCO in 1997, which became an independent firm intent on demonstrating profitability in order to sell stock offerings. Twenty-five percent of COTCO was held by the state, 35% by institutions such as pension funds, 10% by commercial farmers, 15% by small-scale farmers, 5% by employees, and 10% by the public. COTCO emerged as Cargill's direct competitor in the purchase of cotton. In several places, their collection depots were side-by-side.

For Cargill, settling into cotton production in Zimbabwe required several years. A company priority was to rationalize the location of their operations to reach the most important cotton growing areas. They developed and staffed several new collection sites, some leased from the grain marketing board and some from urban planning agencies. They also reopened the large cotton gin in Chegutu, which had been closed for several years. By 1999, Cargill operated 13 cotton collection depots—all located in communal farm areas where cotton was grown on small farms and picked by hand, and two depot/ginneries.

In building the Zimbabwe operations, careful attention was given to Cargill's international Code of Conduct, a doctrine taken very seriously within the corporate culture (Appendix B). Among other provisions, the Code mandated equal opportunity employment, forbade bribes and other corrupt practices, and required adherence to the letter and spirit of national laws. Over several years, a Zimbabwe-specific version of the Code was developed to address the issues presented by the asset-based African strategy (Cargill Zimbabwe, n.d.).

In the early years of operation, the traditional patronage system of relationships continued to influence local hiring in some places. In response, Cargill created a completely transparent contract hiring process by instituting a job lottery to eliminate any hint of favoritism. In this process, all qualified applicants gather at the site gate and place their names in a drum. The names of those to be hired are drawn one at a time by members of the applicant pool.

Because there were major personnel issues to be addressed, in the early years most sites functioned with temporary managers while Cargill sought out high quality permanent staff. Each collection site had five permanent staff members: site manager, financial officer, financial assistant, cotton grader, and computer operator. These sites employed as many as 75 temporary contract workers. Management and trading personnel in the central office included a small number of expatriates as well as Zimbabweans of both European and African descent. All management and labor in the rural sites were black Africans. The entire human resource staff was also black. By 1999, Cargill had permanent managers and staff in place at each location. All managers received six weeks training on Cargill's way of doing business, which included substantial attention to the Code of Conduct. Jean

Paul felt that, through training and experience, they were making major strides toward a solid operation staffed with first-rate site managers.

In 1999, almost every site met their purchasing targets, despite intense competition with COTCO. Because cotton prices fell sharply on the world market during that year, profit margins were very tight at a time when Cargill was still investing in infrastructure at the new sites. Nevertheless, with four years of increasingly efficient operation behind them, Cargill's new African strategy was securely established in Zimbabwe.

The Production Process

Communal farmers grew cotton on semi-subsistence farms that also produced family food: maize, beans, and vegetables. Farmers plowed with oxen, and weeded and picked by hand. Most farmers produced two or three bales of cotton per acre using purchased seeds. Some farmers also used fertilizers and pesticides to improve both the quantity and quality of their production. Every citizen had an identification number registered with the government. Depending on the area, between 10% and 40% of cotton farmers selling to Cargill were women. Even when men were listed as the registered farmer, women and children did much of the work while men supervised. The men might perform selected tasks, if present.

In the recent past, because male wages were the source of cash for input purchase, men tended to control the choice of crops and use of inputs, even if they were far away in the city. They also claimed the resulting income. This pattern of spousal decision-making began to change as high unemployment and the prevalence of AIDS brought many men back to the communal areas without cash income. Younger and more educated couples were also likely to prefer more egalitarian relationships. These changes were reflected in the increasing number of couples—and women alone—who brought their cotton for sale.

Farmers brought their cotton to collection points in ox carts, cars, or hired trucks. Each bale was labeled with the farmer's number and a bale number. Then it was moved to the grading shed where it was cut open at random spots and cotton samples removed to be graded by a certified grader. Each sample was bagged, labeled, and set aside for evidence if a farmer wanted to appeal the grading. Meanwhile, the farmer's number and grade of each bale were recorded, and the amount of payment was calculated.

Cargill made two innovations in this collection process to increase their competitive advantage. Farmers were allowed into the grading shed to watch the collection, grading, and recording of their samples. This transparency reduced farmers' suspicion that cotton from an inferior bale might be substituted for their sample. It also reduced the possibility of extortion by the grading room staff. Cargill also changed the method of payment to farmers. Historically, the cotton board paid with a chit, redeemable in three or four months when the crop had been sold on the world market. If the price was particularly good, the farmer received a bonus payment. These payments, however, could be delayed for several months, and might involve repeated trips to a distant payment point before money was received. Such arrangements were particularly difficult for women because they found

it harder to put aside their domestic responsibilities for repeated travel. Often, the chits were cashed by their husbands in the city, with little money returning to the farm household. Tragically, suicide rates for rural women were highest soon after such cotton payments were released.

In contrast, Cargill advertised that they would pay a slightly higher initial price, by check, at the point of purchase. There would be no later bonuses; any unexpected profit or loss would be absorbed by the company. In 1996, the first year of operation, Cargill issued more than 57,000 handwritten checks, a feat that has become legend in the company. By 1999, the entire operation was computerized, and checks promised within an hour of the time the cotton was graded. In response, banks located branches near several depots, with the result that money was immediately available to the rural household.

In 1998, Cargill began a pilot program to promote indigenous business and make inputs more easily available to local farmers. This involved making arrangements with an input supplier in each area to manage a sales point on the depot. In some rural areas, Cargill worked with suppliers trained and vetted by Care International. By 1999, the external supplier system was in place at all collection depots. When picking up their checks, farmers could choose to have the cost of the next year's seeds and inputs deducted from their current check. Because Cargill assisted the designated dealers with bulk buying and transport, input prices were kept down.

In contrast, COTCO provided slightly subsidized inputs on credit to carefully selected "deserving and committed" farmers, deducting their cost when the crop was sold. Given the high rates of inflation, Cargill's early input purchase plan provided a real benefit to farmers who could afford to forgo some current income. COTCO's credit program made cotton production possible for some of those who could not—or did not—buy inputs in advance.

For both Cargill and COTCO, cotton purchased at collection depots was trucked to company gins, where seeds and fiber were separated. Seeds were sold to processors, and the resulting oil and meal was sold in Zimbabwe. After the cotton fiber was sold at the international cotton auction, it was trucked 2000 miles to the South African port of Durban and shipped to factories throughout the world. A small textile industry in Zimbabwe produced for local consumption but was not yet able to compete on the world market.

Company Working Conditions

Labor policies. Because of Zimbabwe's strong labor legislation, unions were active in both public and private employment. Most were included in the Zimbabwean Congress of Trade Unions, where cotton workers were represented by the agricultural worker's union. The unions did not participate in the negotiations to privatize the marketing board. Since privatization, cotton workers have been represented by their own union, which participates in sector-wide collective bargaining through a subcommittee of the National Employment Council. Both permanent and contract workers are represented by the union, and union dues are deducted from their pay. Elected workers' committees are also mandated by law. These committees are intended to deal with issues specific to

Cargill, and to resolve minor problems as they arise.

National labor polices mandate minimum wages, conditions for overtime, and basic health and safety provisions. Because of budget constraints, however, monitoring and enforcement was lax. Minimum wage levels are set by sector. Because cotton is an export commodity, and because wages can rise along with inflation without undue difficulty, the minimum wages in cotton were higher than those in many other sectors. It was Cargill's policy to pay slightly more than the negotiated minimums in order to attract and hold capable workers. Cargill also paid a small increase to returning contract workers. The continuing effect of inflation was reflected in the raise given to Cargill workers early in the 1999 buying season (Table 5, Appendix A).

Cargill also changed the method of salary payments. While wages were still based on an hourly rate and a six-day work week, Cargill's wage payments were issued monthly instead of weekly. Previously workers were paid by check, but at the height of the season it was difficult for workers to travel to distant banks for cashing. Under Cargill's management, a security company was hired to move money to the sites to pay contract workers directly and in cash. For permanent employees, direct bank deposits became an option, easing their transportation problem. With increased cash now circulating in the communities, local business growth was also stimulated.

Cargill tried as much as possible to hire workers from the local community. Child labor was illegal, as well as impractical. For contract jobs at higher grades, such as clerks, an O level diploma (nine years of schooling) was required. For lower grades, simple literacy and good health sufficed. Permanent positions, however, required specific training and experience, which necessitated hiring from a national applicant pool. Once hired, permanent employees were provided with on-site company housing.

Labor law forbids sexual discrimination in hiring, but enforcement was uneven. Before privatization, for example, the Cotton Marketing Board did not hire women. Both company policy and national law led Cargill to recruit women along with men. By 1999, there were 215 women and 1,629 men among their contract employees. Although women tended to be concentrated in certain activities such as pack menders, runners, and clerks, these positions were dispersed throughout most of the job grades, and pay was the same for men and women in each grade (Tables 5 & 6, Appendix A). The new, computer operator jobs were the single type of permanent position in which women predominate.

Cargill had a policy of recruiting from within the company whenever possible. Promotions within and between grades of contract workers were fairly common. Promotions from temporary to permanent status, however, were more limited but did occur. Training of permanent employees was ongoing, with emphasis on job skills and Cargill's Code of Conduct (Appendix B). Most training of contract workers was on-the-job instruction in needed job skills.

Most temporary workers had a three-month contract but many were retained by the week after the contract expired. This pattern of short-term contract-plus-renewal employment was de

signed to adjust the number of workers to the seasonal work load. For Cargill, it resulted in considerably increased productivity. Contract workers were not eligible for personal or sick leave except in case of injury, whereas permanent workers received 21 days of personal leave each year. Worker reliability was high; most workers notified the company if prevented from working for some reason.

Disciplinary problems with permanent workers were addressed in the Cargill Zimbabwe-specific Code of Conduct, which is registered at the Ministry of Labor and is legally enforceable. The Code specifies minor, moderate, and major offenses of workers, together with a process of investigation and a formal hearing before management reaches a decision. An appeal process is included. Contract workers have less protection from dismissal after their three-month contract expires. This insecurity was an issue contract workers wanted to bring to the worker's committee. They expressed concern about abrupt terminations that also lacked advance notice and termination payment. Another area of concern was the reliability of Cargill's commitment to rehiring experienced workers season after season.

The work season begins in April as soon as crops are harvested, and ginning continues from May through the beginning of the rainy season in October or November. During the height of the season work was very intense, often extending well into the evening. Overtime payment rates of time-and-a-half made this extra work welcome to employees, but the timing of overtime payments was another area of worker concern. Some sites paid overtime on a monthly basis while others paid it only once—toward the season's end. There were complaints that some contract workers were terminated before receiving their overtime pay and had to return to the site repeatedly before payment finally arrived. Overtime work also presented transportation problems for those who lived further from the sites because public transport ceased at nightfall. Because overtime is expensive, at the height of the season Cargill scheduled three eight-hour shifts at the gin processing plant where employment was greatest and the high season lasts longest, thereby running it 24 hours a day. The collection depots were sometimes staffed with two shifts, one from 8:00 a.m. till 5:00 p.m. and another from noon to 8:00 p.m., as need dictated.

Health and safety. Cargill put strong emphasis on worker safety in all of its international operations. In Zimbabwe, a safety coordinator was appointed at each site. The company provided protective clothing such as helmets, overalls, and boots, as well as masks for cotton dust. There was a strong emphasis on site cleanliness; rest rooms, offices, and grounds were well kept. All employees were given safety training. At the gins, contract workers received a week of training before commencing employment, and all permanent workers received at least one full day of safety training. Most contract workers at the collection depots participated in shorter sessions and then received on-the-job training.

A safety audit was conducted each year by Cargill examiners from outside the country to ensure that all recommended practices were followed. Because brown lung disease from long exposure to cotton dust was a problem in many cotton operations, Cargill examined gin employees

in 1998. No indications of disease appeared, but such tests will need to be repeated over time. When a worker is injured, it must be reported to the government for worker compensation. The company has a process for tracking accidents by site, and sponsors an international competition to honor those with the best safety record. The African prize was won in 1999 by the gin at Tafuna, which reached 365 days with no employee time lost to accidents, the first time any African plant had attained that level.

Worker health was also a company concern, especially given the high prevalence of AIDS. The Chegutu gin, located in a good-sized town with services, provided a clinic to workers while the clinic at the Tafuna gin, far from a major urban setting, serves all workers and their families. Although there were no clinics at the collection sites, first aid was available and permanent workers received health insurance. At all sites, both male and female condoms were distributed free to workers. In 1999, the company entered into an agreement with Population Services International to train all Cargill workers on AIDS prevention, and provided condoms for sale to farmers at each site.

Women's situation within the company. Early in the summer of 1999, a researcher from an American university interviewed women workers at 10 Cargill Zimbabwe work sites to identify best practices that address constraints to women's employment. She focused on their working conditions and how they balance Cargill employment with their other obligations. Jean Paul thought back over the report the researcher had left with him (Appendix C).

The report noted that Cargill's women workers were overwhelmingly young, well educated, and energetic. The majority were under the age of 25; very few were over 35—a characteristic paralleling the age structure of the country (i.e., half the population is under 15 and 85% is less than 40). Reflecting Zimbabwe's expanded investment in education since independence, most of the women workers had completed at least nine years of education and permanent workers often had more. Nearly 50% of the women workers were single and had no children. Of those married with children, an overwhelming proportion had one or two; only a small number had more. Relatively few were widowed or divorced but, given the AIDS epidemic, this number was likely to increase substantially. (Table 7)

Most of the women workers lived in surrounding communities, and many were farmers. They grew maize, beans, and vegetables for family consumption and, in some locations, cotton for sale. Almost all the women also participated in the informal sector, buying or making clothes and handicrafts to sell in the local markets. Several invested their wages in sewing machines. Together with the women in their extended family, they made school uniforms, children's clothing, pillows, and draperies for sale. One young computer operator purchased a car and paid a driver to run it as a taxi. Another opened a hairdressing salon. (Appendix D)

Most women—married and single—lived in extended families and contributed directly to the upkeep of the household. Their wages were used primarily for food, clothing, transportation, and education. Some with children paid for household help or gave gifts to family members who cared

for them. A number of single women were saving money for additional schooling such as secretarial or teacher training. Others contributed to the education of younger siblings. In several cases owing to the death of parents, an older working sister was entirely responsible for the support of her younger siblings.

The research report also explored the women workers' views of their employment conditions, including both positive aspects and concerns. Jean Paul was pleased that the women felt they were treated equally and with respect. In many ways, their concerns were the same as other contract workers, but it was clear that there were also some issues specific to them as women. He was particularly struck by the quoted comment of a computer operator who noted that Cargill's women workers were in a peculiar position: they were located at the interface between an enlightened international corporation with clear policies on equal opportunity employment, on one hand, and a traditional patriarchal culture, on the other hand. She said, "The squeeze comes from both directions."

The research report concluded with an interesting insight:

The women contract workers were actively seeking more identification with the company; we heard repeated requests for Cargill tee shirts and caps that could be worn in the community. The workers repeatedly said they wanted more training. A case in point was their lack of knowledge about Cargill's Code of Conduct. Most were surprised and pleased to learn that Cargill had policies on equal opportunity employment and sexual harassment. A training session for contract workers on the Code of Conduct could gain substantial good will. With very little additional effort women workers could become advocates for the company within the communities where they live, work, and farm. In areas where Cargill competed directly with COTCO for cotton purchases, such local good will could have substantial value. (Cloud, 1999, p. 3)

Conclusion

Jean Paul decided to talk over the issues of membership in the workers' committees more fully with his Human Resource Officers. Together they would decide whether they had one issue or two: would expanding the committee to include contract workers sufficiently address worker concerns, or do they also need to include women's representation? Once this matter was clearer, they could begin to chart the best course of action.

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APPENDICES

Appendix A: Tables

Table 1 Basic Economic Indicators, Zimbabwe

Gross National Product (GNP), 1997: \$8.6 billion US

GNP per Capita, 1997: \$750 US

GNP Measured as Purchasing Power Parity (P.P.P.), 1997: \$2,800 US

Structure of the Economy

Indicators:	1976	1986	1996
% of Gross Domestic Product (GDP) from:			
Agriculture	17.0	17.8	22.2
Industry	37.6	31.3	24.9
Services	45.4	50.9	52.9
Average Annual Growth Rate:	1976	1986	1997
Agriculture	3.2	3.0	-1.8
Industry	2.3	-0.1	1.8
Services	8.2	3.7	3.3
Private Consumption	6.8	2.7	16.8
General Govt. Consumption	14.9	3.5	14.4
Gross Domestic Investment	-4.1	4.2	-16.8
Gross National Product	5.8	2.3	2.1
Domestic Prices (% change):			
Consumer Prices	---	14.3	19.0
Implicit G.P. Deflator	7.9	11.6	21.9

Source: World Bank (1998, October1).

Table 2 Measures of Equality, Zimbabwe

Percentage Share of Income or Consumption by Percentile of Population (1990):

Percentile of population	lowest 20	second 20	third 20	fourth 20	highest 20
Percentage share	4.0	6.3	10.0	17.4	62.3

Gini index coefficient (1990): 56.8

1995 Percentage of Population with access to:	Rural	Urban
Safe water	65%	99%
	1980	1995
Sanitation	5%	58%

Source: World Bank (1998/99).

Table 3 National Human Resource Profile, Zimbabwe

Indicators:	1960	1980	1996
Estimated Population	3,800,000	7,000,000	11,000,000
Total Births per Woman	---	6.8	3.9
Contraceptive Prevalence	---	---	58%
Life Expectancy at Birth (years)	45.3	---	55 M, 57 F
Under 5 Mortality (rate per 1,000)	---	107	86
Public Expenditure on Education (% of GNP)	0.5%	6.6%	8.5%
Adult Literacy Rate	55%	---	85%
Gross Primary Enrollment Rate (% of eligible pop.)	---	---	119%

Ethnic Heritage:

Black Africans: 98%

Whites: 1%

Asian/Other: 1%

Sources: UNDP (1995) for 1960 data; World Bank (1998) for 1980 and 1996 data.

Table 4 Situation of Women, Zimbabwe

Adult Economic Activity Rate of women & men 15 years and over (%)	1980 est.		1994 proj.		(Source)
	w	m	w	m	
	48	88	43	87	(a)
Women as a Percentage of Adult Labor Force	36		33		(a)

Occupational Groups (F/100 Males) 1990 census data							
Prof. & tech.	Admin. & mgt.	Clerical	Sales	Services	Prod. & transp.	Agric. & related	
67	18	37	78	42	20	128	(a)

Female School Enrollment: Percentage of age group enrolled in education, 1992			
Primary	Secondary	Tertiary	
118	42	6	(b)

Women's Average Age at First Marriage (1990): 20.7 years (c)

Percentage of Women Headed Households (1990): 33% (a)

Percentage of Women Representatives in Parliament (1997): 14.7% (b)

Gender-related Development Index (1998): 118 of 174 nations ranked (b)

Gender Empowerment Measure Rank (1998): 56 of 174 nations ranked from 1- 02(b)

Sources: (a) UN (1995); (b) UNDP (1998); (c) UNDP (1995).

**Table 5 Cargill Zimbabwe (PVT) Ltd. Contract Worker Employment
Classification by Grade, Wage, and Gender, 1999**

*Exchange rate for July 1999 was ZM\$38 = US\$1.

Grade		Female Employees	Male Employees	Monthly Wage Rate (ZM\$)*	
No.	Title			Old	New
1	General Laborer Pack Mender Pallet Movers	112	798	1,061.20	1,532.08
2	Adjuster of Mass Caretaker Mixing Floor Hand Office Orderly Sanitary Worker Grade Caller Carrier Stack breaker Shunter Marker Runner	18	247	1,261.92	1,775.70
3	Messenger Tarpaulin Repairer Sampler Handler Press Attendant	11	146	1,479.88	2,158.46
4	Boiler Attendant Driver Fiber Tester Handyman Loco Driver Sewing Machine Operator Grading room Recorder Storage Clerk Receiving Clerk General Clerk (all others) Stackmaster Watchman	29	85	1,778.16	2,554.76

No.	Title	Females	Males	Old	New
5	Charge Hand Bus Driver Forklift Operators Lint Clerk Machine Operator Personnel Clerk Senior Driver Telephonist Pack Issuing Clerk Typist	6	126	2,133.80	3,107.31
6	Senior Tally Clerk Senior Charge Hand	12	37	2,581.20	3,797.81
7	Press Console Operator Senior Machine Operator Stores person	0	24	3,080.24	4,485.30
8	----	0	2	----	4,485.**
9	----	0	4	----	5,000.**
10	Computer Supervisor Lint Supervisor HR Assistant Computer Operators Administrative Assts. Data Input Clerks	27	160	----	8,000.**
Total Employees: female & male		215	1,629		

Notes: **Wages at this level were not uniform but depend on individual contracts.
 ----Titles and data not available.

Source: Cargill Zimbabwe (PVT) Limited, Grade Classification.

Table 6 Profile of Women Interviewed, Cargill Zimbabwe: Job Totals in Each Grade

Contract Workers (N = 92)			
Grade 1	Grade 2	Grade 3	Grade 4
Pack mender: 29	Runner: 5	Sampler: 9	Clerks:
General laborer: 6	Sanitation wk.: 3	Moisture tester: 1	filing: 3
Cook?: 4	Marker: 2		dispatching: 1
	Shunter: 1		general: 7
			receiving: 2
			grading: 3
			registration: 1
			sample: 1
Total: 39	Total: 11	Total: 10	Total: 18
Grade 5	Grade 6	Grade unknown	Grade 10*
Administrative: 1	Check-issue clk: 11	Cashier: 1	?
		Marketing: 1	
Total: 1	Total: 11	Total: 2	Total: ?

*There were no women in grades 7 through 9.

Permanent Workers (N = 26)

Administration:	9
Computer operator:	14
Human resources:	1
Nurses' Aide:	1
Grader trainee:	1
Total:	26

Source: Cargill Zimbabwe (Pvt) Ltd

Table 7 Profile of Women Interviewed, Cargill Zimbabwe: Contract and Permanent Workers Combined

Total Sample = 118 women

Age (N = 114)						Education (N = 110)		
17-20	21-25	26-30	30-35	over 35		1-5 yrs.	6-9 yrs.	9+ yrs.
21	50	22	14	7		8	66	18

Marital Status (N = 91)					No. of Children (N = 109)*		
Single	Married	Divorced, widowed		0	1-2	3-4	over 4
42	34	15		52	47	7	3

Note: *Three single women reported having children

Appendix B: Cargill International Code of Conduct–Excerpts*

A Set of Basic Principles

It is not practical in this statement to set out detailed guidelines to govern every situation that might arise in the conduct of our varied and complex international business. Instead, set out below are five basic principles which form the framework in which to examine any problem arising in any country.

- I. Cargill will comply with the laws of all countries to which it is subject.
- II. Cargill will not knowingly assist any third party to violate any law of any country by issuing false or misleading documents or by participating in any other form of misrepresentation.
- III. Cargill will never seek to obtain business by paying bribes or by other unethical or corrupt practices.
- IV. Cargill will always honor all business obligations that it undertakes and function with absolute integrity.
- V. Cargill will keep its business records in a manner that accurately reflects the true nature of all business transactions.

The rational application of these basic principles should cover most situations. Any employee still in doubt about any action should seek guidance from higher management on a policy matter or from the Law Department where a question of laws is involved.

Additional Guidelines: Governing specific activities:

Other important areas of law and policy create obligations for all Cargill employees but because of their complexity these are covered by separate corporate statements which are updated from time to time. In this category are obligations to comply with the letter and spirit of all applicable laws in the antitrust area, the area of environmental protection and related laws, and the laws designed to accomplish equal and fair opportunities in employment.

Cargill managers have the obligation of being familiar with, and complying with, company policy in these areas. Once again, particularly in these complex areas, any employee in doubt about any action should seek guidance from higher management or from the Law Department where a question of laws is involved.

*Excerpted from Cargill Business Conduct Guidelines. There is also a country-specific Cargill Zimbabwe Code of Conduct.

Disciplinary Action

The foregoing principles and guidelines apply to employees of Cargill, Incorporated and of all subsidiary and affiliated companies worldwide. Where willful violations of this Statement of Business Conduct are substantiated, disciplinary action will be taken by the company.

Appendix C:

Excerpts from the “Report on Interviews with Cargill Women Workers on Gender Equity in their Employment”

Kathleen Cloud

Gender and Agribusiness Project
University of Illinois
August 1999

During the University of Illinois’ study of the employment of rural women in agribusiness, together with the help of a Shona speaking assistant, I interviewed 118 women employees in groups of 8 to 10. Interviews were held at both gins and eight additional collection points, as well as company headquarters in Harare.

What are women’s views on the conditions of their employment? In general, the women expressed very positive views on the fairness of their treatment by the company. They felt that they were treated with respect and had equality with men in similar positions. The concerns they expressed and the issues they realized are of two types. The first are not specific to women but would apply to all contract workers. The second are sex-specific and, in some cases, apply to permanent workers as well. Some concerns were quite widespread while others apply only to specific locations.

Hiring and Promotion

For every site except Chegutu, there was agreement that the process of hiring was fair. Promotion from within was generally seen as gender equitable, and several instances of such promotions were noted by the women. Preference for previous experience in hiring contract workers seemed to be more variable, and there were several locations where the women were uncertain about the strength of company commitment to the policy. Women expressed considerable anxiety about this; they need and want reemployment.

Pay

There was general agreement that there was no male/female discrimination in wages. Due to high inflation pay levels were seen as low, but the employees seemed to understand that this was a general problem and not specific to Cargill. At several sites, a number of women contract workers were adamant that they were not being paid any additional amount for their previous experience with Cargill.

Overtime

Overtime pay was a major concern everywhere except at the two gins. There was confusion about whether overtime was to be paid monthly, or at the end of the season. Clear word on company

policy is not reaching down to this level.

There are also gender-specific overtime problems. The women want overtime for additional income. For some, however, the pay problem creates problems at home. The husband says, "You tell me you are working late, but if you are, where is the money? What are you up to?"

In two of the areas, transportation home is a problem if the work runs too late. It is much more dangerous for women to hitchhike late in the evening. Several of the women suggested that limiting overtime no later than 8:00 p.m. would be helpful. Creating overlapping shifts so that late work is more predictable will also undoubtedly help.

Permanent workers say that the company's demand for employees to work straight through the busy season without taking any leave puts great strain on their household responsibilities. They suggested a rotating half day of leave per month that would permit them to fulfill their family obligations, including banking, school visits, and shopping.

Working Conditions, Health and Safety

In general, the women feel that working conditions are safe; they are all aware of Cargill's emphasis on accident reduction. Many said they received little training and asked for more. They would appreciate training on AIDS prevention and were very positive about Cargill's practices of condom distribution for both women and men. Employees at Tafuna were very positive about their access to the company clinic.

Workers made a number of useful safety suggestions. In Tafuna, some workers felt they needed safety glasses while some workers in Chitekete asked for Cargill sun hats instead of having to provide their own less-satisfactory ones. In several locations, women asked to keep their uniforms and safety shoes from year to year because they are wary of infections from clothes passed on from other workers. Apparently, some sites permit workers to keep uniforms but others do not.

One health issue surfaced in almost every discussion: the one-piece overalls are very difficult for the women to manage when they use the squat toilets. Accidents are unpleasant and unavoidable. There was a unanimous request for two-piece work suits, which would eliminate the problem.

Sexual Harassment

With the exception of Chegutu, the women reported low or manageable levels of sexual harassment, which usually came from fellow workers rather than managers. Women at several sites told us how Cargill had intervened forcefully on behalf of a computer operator who was being harassed. We saw the resulting memo on Cargill's zero tolerance policy posted in a number of site offices.

When we asked the women if they felt there was somewhere they could go for help if they were being harassed, replies were uneven. At the Tafuna gin, women reported several instances

of harassment that had been addressed in confidence to the female human resource officer who was at that time on the post. At other sites, many contract workers expressed reluctance to complain because they feel vulnerable to dismissal, but others said their boss would deal fairly with them. The computer operators and other permanent employees were much more confident that Cargill would act to protect them.

Appendix D: Worker Profiles

Contract Workers (All names have been changed.)

Marianne, a contract worker, is a 43-year old woman with no education who works as a general hand. She was a young widow who became the youngest wife in a polygamous marriage. She has six children who are cared for by the other wives while she works. In return, she gives them food. With her wages, she bought a sewing machine that she shares with three other wives to make children's clothes both for sale and family use. Her husband is now old and ill, but she farms both maize and cotton in the summer when she is not employed. Her income is used for school fees and family expenses.

Isabel is a single 18-year old woman with an O level education (9 years). She works as a pack mender, which is her only source of income. She lives with her parents and walks to work each day. She shares some of her income with her parents but saves the bulk of it for tuition to a dress-making course at a nearby school. She sees this training as an investment in income generating skills.

Jean, a 22-year old divorced mother of two children, works for Cargill as a cook. She has seven years of education but very little English. Her children live with her mother. In the summer, she and her mother farm maize and vegetables, and she also works on other people's fields for pay. Her income goes for maize seed, school uniforms, and food for the family.

Permanent Workers (All names have been changed.)

Grace, a computer operator, is 22 years old and single. After completing her O levels she took a secretarial course. Although she has no children, she carries substantial responsibility for her younger sisters. To supplement her salary she buys fabrics, and her sisters make curtains, bed-spreads, and pillows to order. Income is used for rent, food, clothing, and general support of the family.

Elizabeth is a 32-year old married woman with two children. She is employed as a Human Resource Assistant at one of the gins. Her education includes both A levels (11 years) and a diploma in Human Resources. She employs a maid to cook and care for the children but usually cooks for her husband herself. Her husband is headmaster of a private school nearby. She imports blankets from South Africa and sells them to increase family income.

Lucy, in an unusual case, was promoted from general clerk to a permanent position as a despatching clerk. She is 22 years old and has completed 11 years of education (Form 4). Although she is married to a Cargill grader, they have no children and work at different sites. Most of her income is spent on food, clothing, and weekend trips to her husband's post.